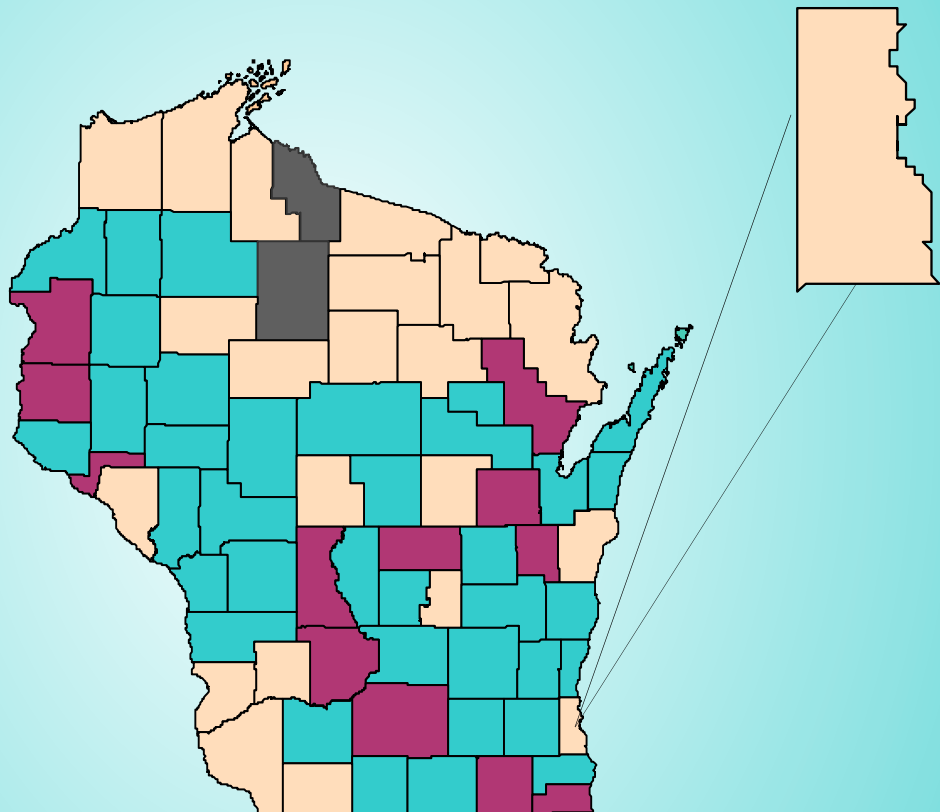


Milwaukee County Workforce Profile

Projected population growth from 2000 to 2020



Source: Wisconsin Department of Administration, Demographic Services Center.
Statewide population growth is projected to be 13.9 percent from 2000 to 2020.



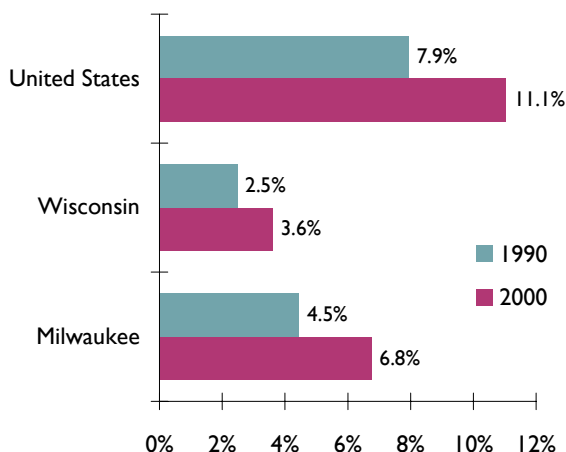
County Population

Milwaukee County's population composition is unique to the state of Wisconsin. It is the largest county via population, but of the state's 72 counties, it is the ranked 70th in geographic size (242 square miles) easily making it the most densely populated county in the state at 3,889 residents per square mile. So uncharacteristically dense is Milwaukee's population, that the second densest county is Waukesha County (649 residents/sq. mile) or about one-sixth of the concentration of Milwaukee County. The state's population density is close to 100 people per square mile.

Just as strikingly different as Milwaukee County's population is in comparison to the state, it shares many characteristics with other large, urban centers in the upper Midwest having a slowly growing population marked with a significant amount of outward migration of residents into suburban (or farther) counties. Milwaukee County's population has grown by 927 residents in the 20 months between April 2000 and January 2002 or about one-tenth of one percent. This growth rate is considerably slower than the statewide rate as well as the nation's. It is growing more slowly, proportionately, than every other county in Wisconsin. It is also adding a smaller volume of new residents than many counties as well.

The county's slow growth is due to the out-migration of residents. Milwaukee County's population dynamics are a contradicting dichotomy of strong population growth due to natural increase (read: the number of births exceeded the number of deaths)

Share of Foreign-born Residents



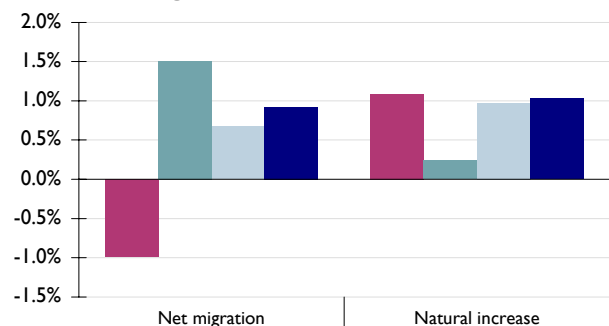
Source: US Dept. of Commerce, Census 2000, Summary file-4, QT-P14

Total Population

	April 2000 Census	January 1, 2002 estimate	Percent change
United States	281,421,906	286,923,000	2.0%
Wisconsin	5,363,701	5,453,896	1.7%
Milwaukee County	940,164	941,091	0.1%
Largest Municipalities			
Milwaukee, City*	596,974	595,958	-0.2%
West Allis, City	61,254	61,114	-0.2%
Wauwatosa, City	47,271	46,930	-0.7%
Greenfield, City	35,476	35,776	0.8%
Franklin, City	29,494	30,749	4.3%
Oak Creek, City	28,456	29,826	4.8%
South Milwaukee, City	21,256	21,424	0.8%
Cudahy, City	18,429	18,410	-0.1%
Greendale, Village	14,405	14,283	-0.8%
Whitefish Bay, Village	14,163	14,109	-0.4%

* Milwaukee County portion only

Net migration and natural increase



Source: Wisconsin DOA, Demographic Services Center & US Census Bureau

coupled with a large number of residents moving out of the county causing slow, net growth. Milwaukee County actually shows very strong natural increase, which is very typical in metropolitan counties housing larger urban centers, but like many similar counties in the upper Midwest, there has been a tendency for residential suburban flight.

Six of the county's ten largest municipalities have shown population decline. The three largest cities,

(Continued on page 2)

Milwaukee County Workforce Profile

Population Projections by Age Groups in Milwaukee County

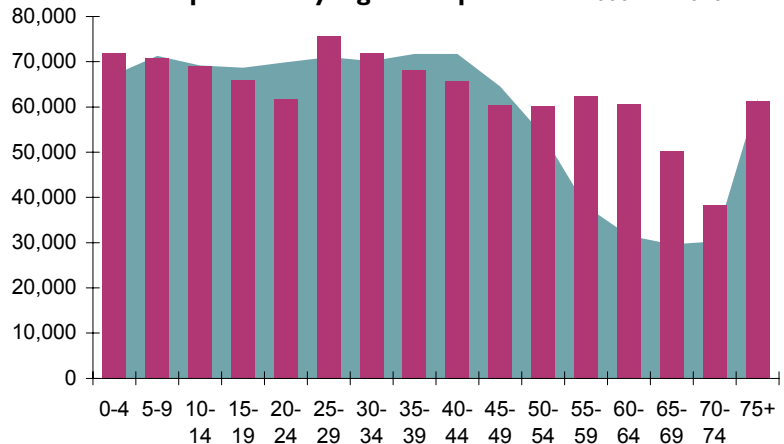
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
2000																
Male	34,433	36,211	35,135	34,699	33,911	34,745	34,747	35,114	34,930	31,506	25,941	17,737	14,373	12,977	12,811	21,304
Female	32,708	35,042	34,058	33,975	35,962	36,256	35,382	36,602	36,771	32,987	27,823	20,300	17,131	16,664	17,468	40,461
2005																
Male	36,939	31,451	35,697	34,980	34,379	36,803	33,772	32,602	33,608	33,819	30,477	24,307	16,158	12,437	10,979	22,412
Female	35,370	29,880	34,541	34,053	35,207	38,216	34,584	33,162	34,961	35,814	32,089	26,613	19,042	15,781	15,124	41,221
2010																
Male	37,632	33,766	31,025	35,554	34,670	37,252	35,793	31,709	31,231	32,578	32,770	28,625	22,224	14,041	10,594	21,747
Female	36,033	32,335	29,471	34,568	35,370	37,252	36,493	32,453	31,714	34,092	34,888	30,741	25,018	17,572	14,363	39,789
2015																
Male	37,911	35,453	33,453	31,017	35,376	36,971	36,376	33,748	30,508	30,414	31,722	30,943	26,337	19,456	12,062	21,125
Female	36,298	33,951	32,031	29,610	35,950	37,160	35,747	34,417	31,193	31,081	33,379	33,603	29,070	23,231	16,111	38,265
2020																
Male	36,751	36,136	35,230	33,549	30,959	37,700	36,218	34,413	32,585	29,825	29,737	30,089	28,624	23,204	16,845	22,179
Female	35,185	34,603	33,733	32,263	30,862	37,880	35,764	33,815	33,184	30,669	30,530	32,263	31,908	27,124	21,424	39,042

Source: Wisconsin Dept. of Administration, Demographic Services, October 2003

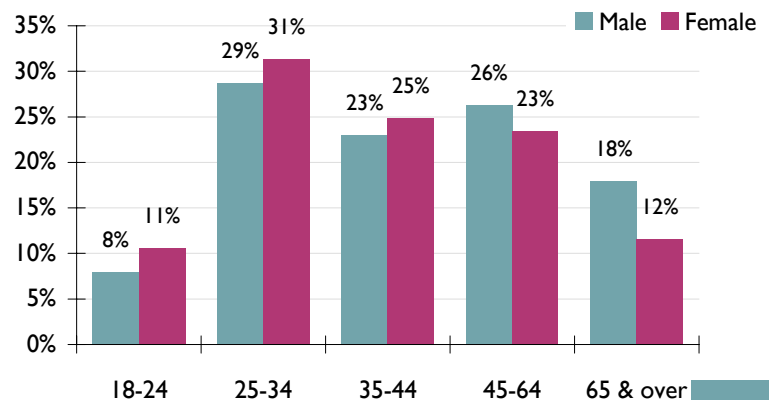
which account for 75 percent of the county's population, show a net loss of about 0.2 percent. But interestingly, the Cities of Franklin and Oak Creek on the county's southern end have shown fantastic growth in such a short amount of time and have likely grown so fast as the result of flight from Milwaukee City residents and other metropolitan area residents to these cities' newer housing development.

The reader should keep in mind that population changes are net figures and can mask underlying dynamics. One dynamic is immigration, which has been a great source of population growth in many U.S. communities, especially since 1990. The number of foreign-born residents has increased to about seven percent of Milwaukee County's population. This is lower in comparison to the United States (11 percent), but is considerably higher than the state average of four percent. Approximately 49 percent of the foreign-born in Milwaukee County came into the U.S. between 1990 and 2000, with the majority coming from Latin America (51 percent) and Asia (27 percent). Seventy-five percent of Milwaukee County's foreign-born residents who entered the U.S. before 1980 are naturalized citizens compared to the overall figure of 38 percent for all who are foreign-born in Milwaukee County. Without international immigration, Milwaukee County, like many in the upper Midwest would have seen a larger population loss than it did between 1990 and 2000 as domestic migration showed that Milwaukee lost more than it gained.

Population by Age Group



Percent of age group with at least a Bachelor's degree in Milwaukee County



Source: US Dept. of Commerce, Census 2000, Summary file 4, QT-P20

Labor Force Characteristics

The labor force is the sum of a location's employed and unemployed civilian, residents 16 years of age or older. Unemployed is defined as actively looking for work. The labor force can speak to an area's underlying demographic and economic qualities; more so than by simply looking at an unemployment rate.

Milwaukee County's labor force, like many in Wisconsin, has seen a rise in its unemployed and a decline in the number of employed. This caused the unemployment rate of 4.3 percent in 1997 to increase to 7.0 percent in 2002, reflecting a soft economy that began in late 2000 that has continued to the moment of publication.

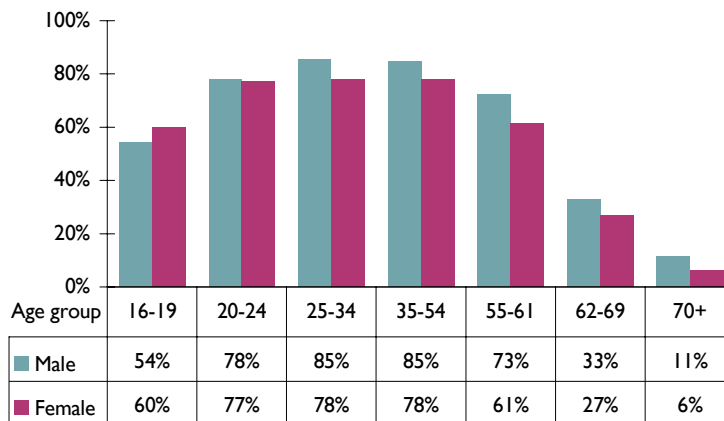
Milwaukee's labor force participation rate (LFPR) or the percentage of the *eligible* civilian population working or looking for work in 2002 was 68.4 percent. This conversely indicates that 31.6 percent of those eligible were out of the labor force altogether. Milwaukee County's 2002 LFPR was lower than the statewide LFPR, 73.0 percent, and ranked 42nd of 72 counties.

LFPR can be influenced by demographics such as age, gender and educational attainment. People between the ages of 20-60 register Milwaukee County's highest LFPR as it is reasonable to assume these are ones' prime working years. Interestingly, male LFPR exceeds that of female in every age category except for the 16-19 age group. As the reality of an aging population becomes more apparent, Milwaukee County's LFPR will more than likely gradually decline. The extent of the decline is unknown, but Milwaukee County will probably fare better than many Wisconsin counties that are considerably older in population composition. The decline will also more likely reflect the local area's demography rather than any structural changes in the local economy, though demographics, itself, will certainly have an effect on the economy.

The graph to the bottom right shows the distribution of the county's labor force by age in 2000 and projects it to year 2020. In short, the labor force is projected to grow six percent and will skew older (assuming present rates of LFPR by each age group to maintain in 2020, which is a best case scenario). This projection is coupled with the fact that the county's population of those 16 and older is projected to grow about 10 percent, dwarfing labor

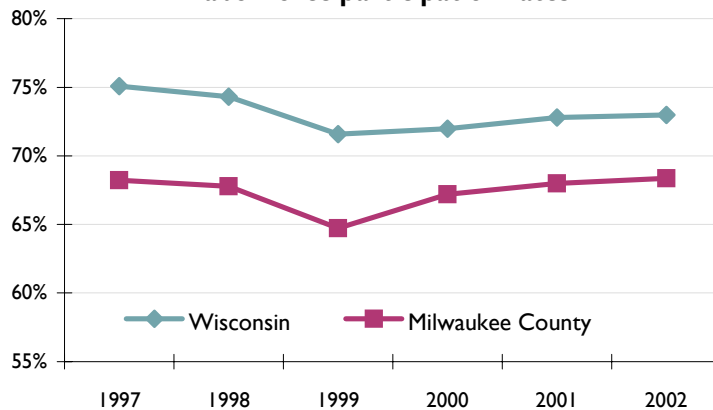
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Milwaukee Labor Force Participation by Age & Sex in 2000



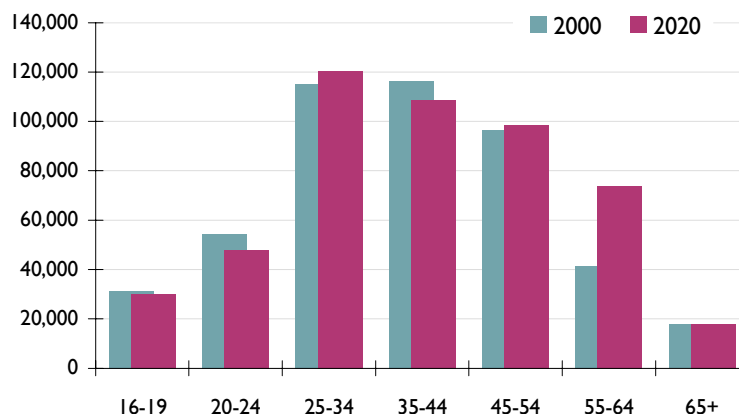
Source: US Dept. of Commerce, Census 2000, Summary file 4, PCT-79

Labor force participation rates



Source: WI DWD, Office of Economic Advisors, 2003

Labor Force by Age in 2000 & 2020 in Milwaukee County

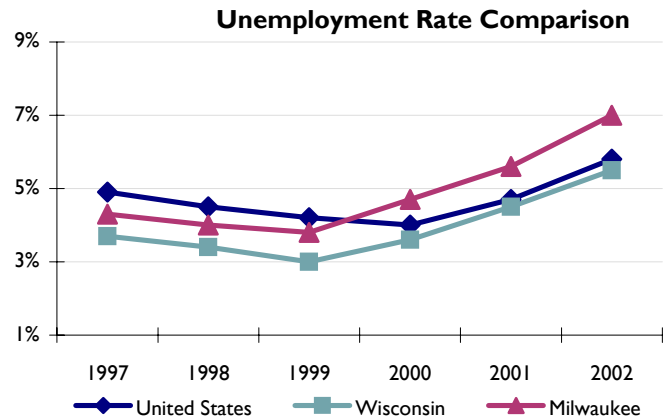


Source: DWD, Office of Economic Advisors, US Census, SF-4 (PCT-79), WI Demographic Services

Milwaukee County Workforce Profile

force growth. In short, only those 55 to 64 years are projected to increase significantly in number in the labor force comparing year 2000 to 2020.

The flat labor force growth presents two distinct challenges to Milwaukee's future economy. One is to replace retiring workers leaving the labor force. The other is to recognize the changes that will occur in the economy and knowing the industries and key occupations that will likely become more or less prominent in the future economy. Preparing a relatively smaller pool of workers to respond to the demands of a larger and older total population will be the answer to these challenges.



Milwaukee County Civilian Labor Force Data

	1997	1998	1999	2000	2001	2002
Labor Force	485,821	481,470	469,363	485,061	487,012	483,775
Employed	464,969	462,398	451,499	462,450	459,808	450,051
Unemployed	20,852	19,072	17,864	22,611	27,204	33,724
Unemployment Rate	4.3%	4.0%	3.8%	4.7%	5.6%	7.0%

Source: WI DWD, Bureau of Workforce Information, LAUS program, 2003

Occupations in demand

Occupational information requests outnumber every other labor market information customer request. This is due to the fact that all parties involved in the labor transaction—employers and jobseekers—are keenly interested in career direction, education and training requirements, and importantly, wages associated with careers.

The table to the right examines the fastest growing occupations in Milwaukee County and occupations that will have the most openings between 2000 and 2010 and the occupations' average hourly wages in 2001.

The distinctions between the fastest growing and those with most openings are obvious; wages and educational requirements are quite different. Occupations with the most openings tend to be entry-level needing less educational requirement or training and may have higher turnover as people move up career ladders. Occupations that are growing quickly may not necessarily grow abundantly. They are pervasive in technical fields and most require some form of post-high school training or formal education. The wage premium for higher educational attainment is quite evident in this example and is exemplary of a changing labor demand.

Milwaukee Region Occupation Projections: 2010

	Top Ten Occupations	Education & Training Typically Required*	Average Wage**
Fastest Growth	Computer Soft Engrns Sysms Soft	Bachelor's degree	\$30.50
	Computer Support Specialists	Associate degree	\$19.74
	Computer Software Engrns Apps	Bachelor's degree	\$30.64
	Network/Computer Systems Admin	Bachelor's degree	\$25.16
	Desktop Publishers	Postsecondary voc. trng	\$17.16
	Database Administrators	Bachelor's degree	\$24.73
	Computer Specialists/All Other	Postsecondary voc. trng	\$25.88
	Network Sysms/Data Comm Anal	Bachelor's degree	\$21.71
	Physician Assistants	Bachelor's degree	\$35.58
	Medical Records/Health Info Techs	Associate degree	\$11.34
Most Openings	Retail Salespersons	1-month or less training	\$10.12
	Comb Food Prep/Serv Wrk/Incl Fast	1-month or less training	\$7.83
	Cashiers	1-month or less training	\$7.87
	Waiters/Waitresses	1-month or less training	\$6.37
	Registered Nurses	Bachelor's degree	\$24.14
	Labrs/Frght/Stock/Matrl Movers/Hand	1-month or less training	\$10.83
	Office Clerks/General	1-month or less training	\$11.40
	Customer Service Reps	1-12 mo. on-the-job training	\$13.76
	Janitors/Cleanrs Ex Maids/Hskpng	1-month or less training	\$9.28
	Nursing Aides/Orderlies/Attendants	1-month or less training	\$9.89

* The most common way to enter the occupation, not the only way

** Wages from Occupation Employment Statistics survey responses for region, 2001

Milwaukee WDA includes Milwaukee County.

Source: WI DWD, Bureau of Workforce Information, 2002

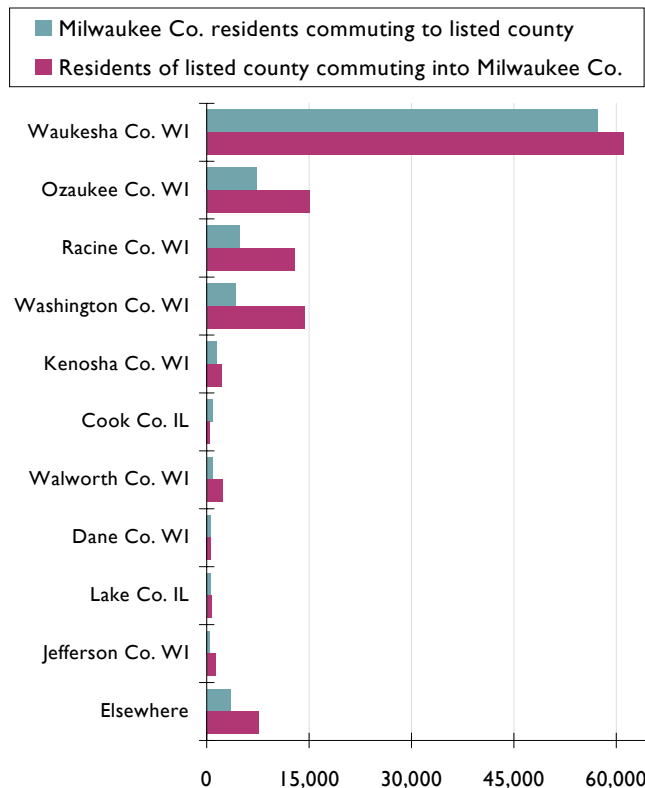
County Commuting Patterns

This topic is arguably one of the more underrated yet highly anticipated pieces of labor market information. It is a key piece of information when profiling a local economy. These data are created every 10 years by the U.S. Bureau of Census, but may become available annually via the American Community Survey, which is a new approach the bureau is

undertaking to measure the U.S. population between the decennial censuses.

Commuting juxtaposes two simple questions: “where do you live?” and “where do you work?”. In 2002, Milwaukee County contained 15.7 percent of the state’s employed compared to 19.5 percent of the state’s jobs. This disconnect does not assume that all of Milwaukee’s employed work in Milwaukee County, but the commuting data does show that the majority, 81 percent, do. This disconnect between the number of jobs (525,000 jobs) and the pool of potential workers (450,000 employed) indicates that Milwaukee County draws workers into the county. Without question it does a good job luring those from the suburban counties with the appeal of professional and higher-wage paying job opportunities.

Milwaukee County lures more workers from every contiguous county than it sends there by a wide margin, with the exception of Waukesha County in which the net commuting margin is still positive to the side of Milwaukee, but only by a narrow margin. Despite this, Waukesha County sends 32 percent of its workers into Milwaukee County. Ozaukee County sends 35 percent of its workers into Milwaukee County and Washington County sends 23 percent. As an exporter of workers, Milwaukee County only sends a significant portion to Waukesha County to where 13 percent of its workers travel.



	Milwaukee Co. residents commuting to listed county	Residents of listed county commuting into Milwaukee Co.	Net gain or loss of workers
Waukesha Co. WI	57,291	61,038	3,747
Ozaukee Co. WI	7,411	15,057	7,646
Racine Co. WI	4,866	12,906	8,040
Washington Co. WI	4,266	14,335	10,069
Kenosha Co. WI	1,570	2,260	690
Cook Co. IL	940	513	-427
Walworth Co. WI	857	2,290	1,433
Dane Co. WI	635	683	48
Lake Co. IL	626	725	99
Jefferson Co. WI	483	1,281	798
Elsewhere	3,512	7,663	4,151

Source: US Dept. of Commerce, Census 2000, County-to-county worker-flow files



Industry Employment -

Introducing NAICS (North American Industry Classification System)

The North American Industry Classification System (NAICS) is a fairly new way of categorizing employers by industry as of 2002. It replaces the old system known as Standard Industrial Classification (SIC).

A tome could be written explaining why the change and what the differences are. For the sake of brevity, NAICS was introduced to reflect a changing economy (new and evolving industries) and to include all three North American countries in a uniform coding system.

NAICS gives more industry detail reflecting industries that are more contemporary than its coding

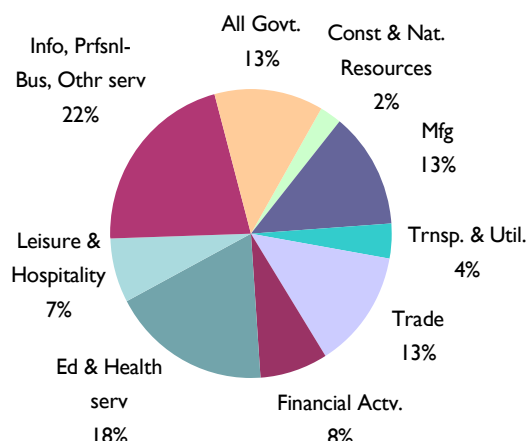
predecessor. SIC and NAICS data cannot be compared to one another even if the industries share the same or similar name. The new coding system is so different that one cannot assume that data retrieved are similar for comparison. The table at the bottom of the page shows the 2002 industry composition for Milwaukee County in the former and present coding systems

For being known as blue-collar, Milwaukee County has an industry composition that has become more a services-providing economy rather than a goods-producing manufacturer. Milwaukee County's industry makeup looks less like Wisconsin and has more in common with the United States.

A combined 39 percent of Milwaukee County's employment are in two sectors: information, professional and business services, and educational and health services employment. It has a higher than state average amount of financial activities employment and lower than average amount of manufacturing employment. One factor in below average manufacturing employment, besides the fact of job loss, is that many corporate structures-headquarters, for example, used to be classified as manufacturing employment. NAICS may now classify these administrative/executive entities as a separate industry such as "management of companies". Trade employment is seemingly lower in NAICS than in SIC because workers in eating and drinking

(Continued on page 7)

Milwaukee County Industry Distribution: 2002



2002 Industry Employment in Milwaukee County: A comparison of two classification systems

NAICS Super-sectors	Employment	Distribution	SIC Industry Divisions	Distribution
Construction, natural resources & mining	12,596	2%	Construction & Mining	2%
Manufacturing	69,551	13%	Manufacturing	15%
Transportation, warehousing & utilities	20,291	4%	Transportation, utilities & communication	5%
Trade (wholesale & retail)	69,423	13%	Wholesale trade	4%
			Retail trade	15%
Financial activities	39,709	8%	Finance, insurance & real estate	7%
Information, professional & business services, other services	110,796	21%	Services & misc (incl. agr, forestry, fishing)	39%
Education and health services	95,963	18%	Government	12%
Leisure & hospitality	39,046	7%		
Government	66,076	13%		

Source: WI DWD, Bureau of Workforce Information, Current Employment Statistics Program, March 2003

Milwaukee County Workforce Profile

establishments are now classified in leisure and hospitality, formerly in retail trade. Milwaukee County's top industries and employers are exclusively services-providing. One will notice a health care services related theme seems to abound in these top lists. Educational services also are quite prevalent. These two industries are the growth industries in Milwaukee County, statewide and nationwide.

If there was one industry in the top ten industry list

that had any strong relation to a goods-producer it would be the second ranked item, administrative and support services. This industry contains a sub-industry, employment services, which is the supplier of temporary and outsourced personnel to companies of all types with a substantial portion working in manufacturing environments. Some manufacturing employment may be masked in this services-providing industry.

Top 10 Industry Groups in Milwaukee County

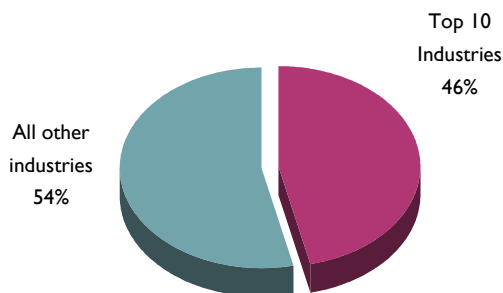
Industry Group	March 2003		Numeric change 2002 - 2003
	Employers	Employees	
Educational Services	222	44,151	-667
Administrative and Support Services	857	34,901	-1,543
Food Services and Drinking Places	1156	28,685	-156
Hospitals	17	27,803	-81
Professional and Technical Services	1883	23,579	-1,122
Ambulatory Health Care Services	1362	21,528	75
Executive, Legislative, & Gen Government	26	17,623	-456
Social Assistance	478	16,707	-26
Insurance Carriers & Related Activities	440	14,450	-395
Nursing and Residential Care Facilities	162	13,724	-413

*data suppressed to maintain confidentiality

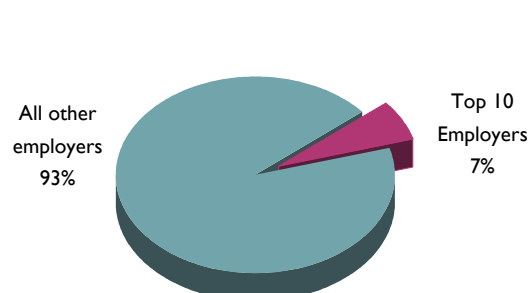
Top 10 Private Employers in Milwaukee County

Company	Product or Service	Size
Aurora Health Care Metro, Inc.	General medical & surgical hospitals	1000 +
Northwestern Mutual Life Insurance	Direct life insurance carriers	1000 +
Medical College of Wisconsin, Inc.	Colleges, universities, and professional schools	1000 +
Columbia St. Mary's Group	Specialty (except psychiatric and substance abuse) hospitals	1000 +
Froedtert Memorial Lutheran Hospital	General medical & surgical hospitals	1000 +
Rockwell Automation, Inc.	Switchgear and switchboard apparatus manufacturing	1000 +
Children's Health System Group	All other misc. schools and instruction	1000 +
Home Depot U.S.A., Inc.	Home centers	1000 +
Aurora Health Care, Inc.	General medical & surgical hospitals	1000 +
Metavante Corp.	Data processing, hosting, and related services	1000 +

Share of jobs with top 10 industries



Share of jobs with top 10 employers



Source: WI DWD, Bureau of Workforce Information, ES-202 special report, First quarter, 2003

Milwaukee County Workforce Profile

The southeast corner of the state pays the highest wages in Wisconsin with Waukesha County and Milwaukee County as the first and second ranked counties in the state, respectively. The table to the right shows that Milwaukee County, pays higher wages than the state average in every industry sector. Information data is suppressed but it can be said with confidence that its wages in Milwaukee County exceed the state's average, too. Higher than average wages make Milwaukee County attractive to commuters.

Average Annual Wage by Industry Division in 2002

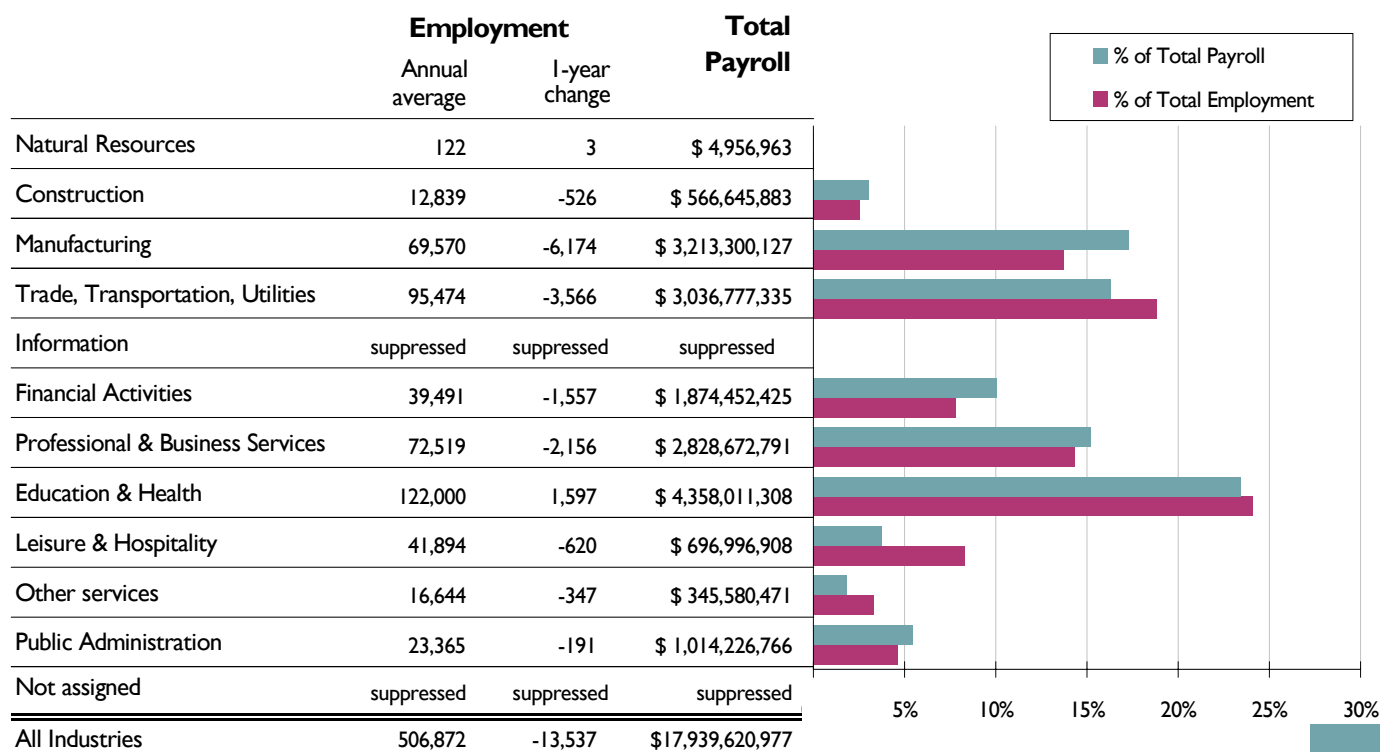
	Average Annual Wage		Percent of	1-year
	Wisconsin	Milwaukee County	Wisconsin	% change
All Industries	\$ 32,422	\$ 36,698	113%	2.6%
Natural resources	\$ 25,481	\$ 40,631	159%	-3.4%
Construction	\$ 39,649	\$ 44,135	111%	0.2%
Manufacturing	\$ 40,584	\$ 46,188	114%	1.2%
Trade, Transportation, Utilities	\$ 28,422	\$ 31,807	112%	2.1%
Information	\$ 38,871	suppressed	suppressed	suppressed
Financial activities	\$ 40,337	\$ 47,465	118%	2.7%
Professional & Business Services	\$ 36,324	\$ 39,006	107%	6.9%
Education & Health	\$ 33,768	\$ 35,721	106%	2.0%
Leisure & Hospitality	\$ 11,837	\$ 16,637	141%	4.3%
Other services	\$ 19,500	\$ 20,763	106%	-0.5%
Public Administration	\$ 33,769	\$ 43,408	129%	3.6%

Source: WI DWD, Bureau of Workforce Information, Covered Employment & Wages, August 2003

The graph below displays the comparative importance of industry employment levels to the wages these sectors pay in Milwaukee County. For example, manufacturing employment composes 13 percent of the county's employment, but pays about 17 percent of the county's wages, putting an overall premium on manufacturing employ-

ment for its disproportionately high wages. On the other hand, leisure and hospitality employment shows the opposite effect with higher employment ratio than wages paid in the county. This is due to the fact that much of this sector's employment is entry-level, part-time and seasonal in nature.

2002 Employment and Wage Distribution by Industry in Milwaukee County



Source: WI DWD, Bureau of Workforce Information, Covered Employment and Wages, August 2003

Per Capita Personal Income (PCPI)

PCPI is typically the accepted indicator of economic health of a geography. It is defined as an area's total income divided by the total population. Income is composed of earnings from work, dividends and interest from equities or other holdings and from transfer payments, which are government payments for various reasons.

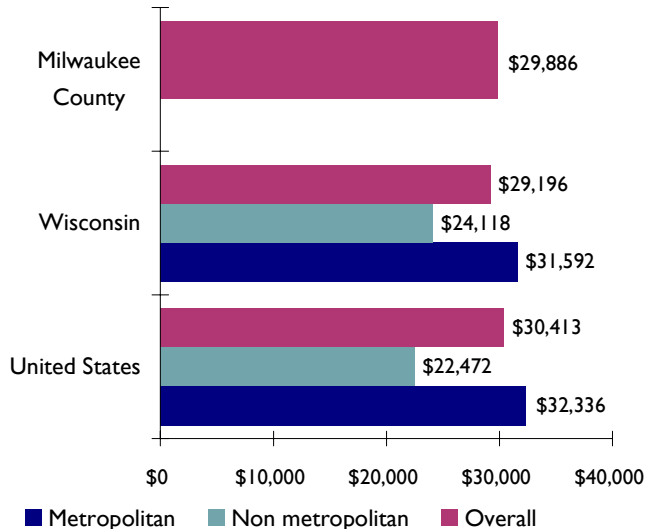
2001 PCPI figures show Milwaukee County to be higher than state average, but slightly below the Wisconsin aggregate metropolitan-county average (based upon Wisconsin's 20 metropolitan counties). The growth in Milwaukee's PCPI over a five-year period

shows slightly slower growth than both Wisconsin and the nation. This is due to the economic downturn, which has had a severe impact in this county, even more so than most counties in Wisconsin. Job earnings compose about two-thirds of Milwaukee County's total personal income and if fewer are working then less total wages are being earned, thus lower income. One will also notice that Milwaukee has considerably higher than average portion of its PCPI come from transfer payments, which tend to be static in their amount and are usually increased to the inflation index.

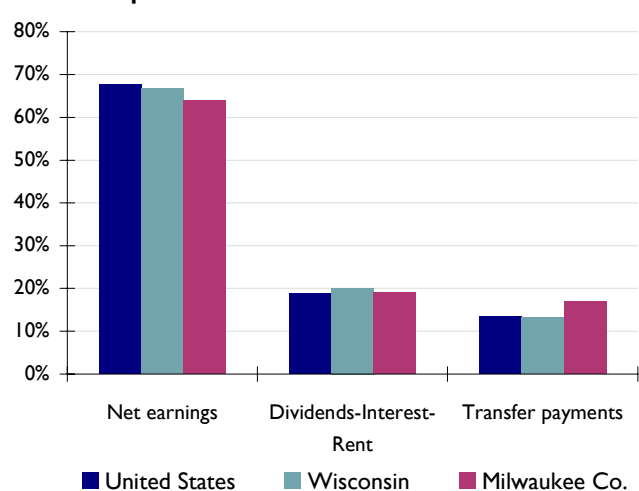
Per Capita Personal Income

	1996	1997	1998	1999	2000	2001	Percent Change	
							1 year	5 year
United States	\$24,270	\$25,412	\$26,893	\$27,880	\$29,760	\$30,413	2.2%	25.3%
Wisconsin	\$23,301	\$24,481	\$26,004	\$26,926	\$28,389	\$29,196	2.8%	25.3%
Milwaukee County	\$24,266	\$25,352	\$26,888	\$27,739	\$29,135	\$29,886	2.6%	23.2%

2001



Components of Total Personal Income: 2001



Source: US Dept. of Commerce, Bureau of Economic Analysis, State & Local Personal Income, May 2003, CAI-3, CA05

WWW addresses of source data

Wisconsin population estimates and projections:

<http://www.doa.state.wi.us/dir/index.asp>

Education levels of population, labor force participation rates, commuting patterns:

<http://www.census.gov/main/www/cen2000.html>

Labor force estimates (employed and unemployed), industry employment, average annual wages:

<http://www.dwd.state.wi.us/lmi/>

Occupations in-demand:

http://www.dwd.state.wi.us/lmi/wda_map.htm

Per Capita Personal Income:

<http://www.bea.gov/bea/regional/reis>

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